

Response to Public Hearing Comments

DVR Training Grant

Common Themes/Concerns

Introduction

As administrative budgets and human resources are reduced and service costs increase, the Division of Vocational Rehabilitation (DVR) is seeking increased efficiencies and equity in how services are funded and delivered.

The DVR Training Grant:

- Will significantly reduce the amount of administrative time and cost associated with funding training services.
- Will insulate DVR from unanticipated increases to training costs, allowing the agency to more accurately manage its budget.
- May allow DVR to serve more eligible individuals with disabilities.

DVR is required by federal regulations to make a maximum effort to obtain comparable services and benefits (alternative funding) for post-secondary training before committing DVR monies (34 CFR 361.48(f)). The DVR Training Grant is predicated on the requirement that all students will apply for financial aids in a timely fashion (for maximum award) and will allow the commitment of DVR monies only if unmet need is identified in the financial aids report. If the financial aids analysis requires a student or family contribution to the cost of education, that requirement will supersede DVR's method of calculating consumer contribution and must be met before DVR monies may be committed to post-secondary training.

The DVR Training Grant will be established as a fee schedule. Federal regulations allow states to establish fee schedules for services (34 CFR 361.50(c) (2)).

The DVR Training Grant fee schedule will apply to all post-secondary training programs as follows:

After Financial Aid award information is provided, DVR may provide a Training Grant up to \$3,000, per academic year for full time attendance, and up to \$100 per credit for half-time attendance.

The amount of unmet need identified in the financial aid award is used to calculate the amount of the DVR Training Grant.

DVR may not authorize a Training Grant that results in an over-award of financial aids grants. DVR may replace student loans up to the amount of the DVR Training Grant but may not replace or decrease any other grants.

Duration: Consumers are encouraged to attend full time and complete the course of studies within the time specified by the curriculum. When extended attendance is approved, DVR will provide payment for up to one extra semester or quarter for every year required by the curriculum. (Maximum - 1 extra semester/2 extra quarters for a vocational diploma; 2 extra semesters/3 extra quarters for an associate degree; 4 extra semesters/6 extra quarters for a bachelor's degree; 2 extra semesters/3 extra quarters for an advanced degree; etc.).

Attendance below the minimum number of credits required to receive FAO grants requires DVR administrative approval.

The DVR Training Grant will be paid directly to the student. The grant is to be divided in equal payments by academic year semesters or quarters. Receipt of grade report or updated transcript at the end of each semester/quarter to verify adequate completion is required before the next DVR Training Grant can be issued. The DVR Training Grant replaces individual payments for tuition and fees; books and supplies, transportation, and miscellaneous personal expenses; room and board; dependant care; study abroad expenses; disability-related expenses; employment expenses for cooperative education; and student loan fees in support of post-secondary training.

Representative Public Hearing Comments and DVR Responses

I. Sufficiency of Training Grant Amount

- 1) **Comment:** Students who do not show need under the financial aid needs analysis system may not receive a DVR grant. Some families who don't qualify for financial aid may have circumstances or significant disability costs that justify DVR support.

Response: We agree that where the financial needs analysis shows no unmet need that a student will not receive a DVR Training Grant. When families have circumstances, including but not limited to significant disability costs, that justify special consideration, the circumstances should be communicated to the institution's Financial Aid Office (FAO) with a request to reconsider the cost of attendance budget. The FAO process can accommodate exceptional circumstances and disability related costs. DVR can then respond to changes made by the FAO in financial aid award status. Disability related training costs that are not the responsibility of the post-secondary institution will be considered by DVR after FAO has considered these costs.

- 2) **Comment:** DVR consumers who began their college or university training program under the current DVR funding method should be exempt from the changes in funding method and time limits.

Response: DVR will not exempt current consumers from the changes in funding method. The new training grant funding method will be applied uniformly after July 1, 2005. However, DVR consumers who began their training program prior to July 1, 2005 may receive some additional consideration for the training grant time limits based on the progress they have made in their training plan.

- 3) **Comment:** If unmet need is not fully funded, the stipend will be excessively harmful to the poorest consumers.

Response: If unmet need is not fully funded by the maximum amount of the DVR Training Grant and if the consumer has additional expenses related to their training program that are related to their disability, DVR can consider a disability-related exception to the grant amount. The exception would be considered relative to disability related training costs for the purpose of providing an equitable circumstance to that provided to non-disabled students in the same financial circumstance. As appropriate, DVR may also fund employment plan services and that are outside of the Training Grant award parameters.

- 4) **Comment:** Since costs at 4 year schools exceed costs at 2 year schools, the grant should be higher at 4 year schools.

Response: Unmet need is not necessarily higher at 4 year schools. Since school costs are higher, so are available financial aids. Should unmet need be higher because of the choice of training institution, the "up to \$3,000" grant award limit still applies.

- 5) **Comment:** Unmet need at private schools will be higher than at public schools. This should not create greater grant awards.

Response: Unmet need is not necessarily higher at private schools. Since school costs are higher, so are available financial aids. Should unmet need be higher because of the choice of training institution, the "up to \$3,000" grant award limit still applies.

- 6) **Comment:** The grant process will require students to work during the summer and to accept work study, work experiences, and internships. This will create an undue hardship on students with disabilities.

Response: We do not presume that students with disabilities are less able to work while attending school or during the summer than other students. For individuals whose disability limitations make work unreasonable, allowances can be made to accommodate their needs.

- 7) **Comment:** The policy will in effect force students to take out student loans.

Response: In addition to providing funds for unmet need defined by the financial aid process, DVR has decided that Training Grant funds can be used to offset student loans. When Training Grant funds for this purpose are available, the student must decide whether to use the grant funds or take the student loan.

- 8) **Comment:** Trying to serve more consumers at a lower cost will result in serving consumers in a less effective manner.

Response: We do not agree. The grant process through more consistent procedures, more reliable communication, and more aggressive pursuit of comparable benefits should result in efficiencies that will improve service effectiveness.

- 9) **Comment:** The grant process will limit the ability of students to take advantage of special programs like the transportation services at UW-Whitewater.

Response: If the service is a needed support service for programmatic or physical access, the school should provide it without cost to the student. If the service is needed for disability reasons which are not related to programmatic or physical access, the student should include the higher costs during the financial aids application process and/or speak to the FAO office about considering the additional expense in the FAO cost of attendance budget calculations. FAO processes allow for consideration of disability related costs and could result in an increase in financial aids or unmet need. If the service is needed for IPE participation unrelated to the school's responsibilities the issue should be discussed with the student's DVR counselor.

- 10) **Comment:** DVR should continue paying for support needs like interpreters.

Response: This is not an issue related to the grant proposal.

II. Implementation of the DVR Training Grant and DVR/Financial Aid Office Communication

- 11) **Comment:** WTCS strongly recommends that considerable discussion and changes should take place before any implementation and that fall 2005 should be the earliest timeline for implementation. We propose asking a small group of post secondary disability services and financial aid staff to meet with DVR in developing implementation and training procedures.

Response: DVR agrees with the recommendation to establish the proposed workgroup to develop processes for Training Grant implementation and training. DVR also agrees with the proposed delay in implementation of the Training grant. The timeline will be moved from January 2005 to July 1, 2005 with the implementation impact anticipated for the fall 2005 semester/quarter.

- 12) Comment:** To be successful there will need to be significant collaboration between schools and DVR. Also, the suggestion was made that a workgroup of DVR and financial aids officials be established to work out a consistent communications methodology.

Response: We agree. A workgroup of DVR and financial aids officials has been established to develop communication protocols and create an effective method for financial aid coordination between FAO and DVR offices.

- 13) Comment:** The DVR should encourage all DVR consumers to complete the FAFSA in January. Special procedures will be needed for students who apply late for financial aids, for school, or for DVR services.

Response: DVR notified current consumers who are in training programs as well as the first 2,500 individuals on the DVR wait list of the DVR Training Grant requirement to apply for Federal Financial Aid as early as possible but no later than April 15, 2005. Because the VR federal regulations require that "maximum effort" be made to secure financial assistance for post-secondary training before the use of VR funds, DVR will not establish special procedures for late applicants.

- 14) Comment:** The grant could result in financial aids over award.

Response: The DVR Training Grant process and new communications protocol between DVR and financial aids offices has been designed to eliminate the possibility of an over-award.

- 15) Comment:** The grant check should be made to the university and to the DVR consumer. The DVR consumer should be required to take the check to the college Bursar's office. The Financial Aid Administrator will add the DVR grant funds to the DVR consumer's financial aid package and make adjustments if necessary.

Response: DVR has decided to award Training Grant funds directly to the consumer in support of their training costs. The student will have the responsibility to apply the funds appropriately to their training costs. DVR has established a communication protocol with the student and institution's FAO that will effectively incorporate the Training Grant funds into the financial aid package without causing an over-award.

III. Full-time attendance and Time limits to complete training program

- 16) Comment:** Requiring that students attend on a full-time basis may have a negative impact on their success rate.

Response: We do not want to presume that a student with a disability is less able to attend their training program on a full-time basis than a student without a disability. Credit load to achieve full-time status may vary and DVR has built into the Training Grant parameters an allowance for additional time to complete a training program should disability factors require additional time.

- 17) Comment:** The time limits will be unreasonable for some students because of the limitations imposed by their disabilities.

Response: We do not want to presume that a student with a disability is less able to be successful than a student without a disability. The Training Grant parameters will have an exception procedure (like all DVR fee schedules) to address exceptional disability-related needs when those circumstances arise.

- 18) Comment:** Students who transfer from one institution to another may be unable to meet the DVR "duration" limits.

Response: DVR counselors are trained to work with consumers who establish an employment goal that requires a training program. It is the expectation that students who anticipate a transfer between training institutions will work with their DVR and training program counselors to achieve their training goals in the timeframe established for the Training Grant. The Training Grant parameters allow for additional time when warranted by disability factors.

IV. Increased responsibility for grant recipients

- 19) Comment:** The grant process will increase the responsibility of the students to apply for financial aids and communicate with the school and DVR. Some DVR students are not capable of this level of responsibility.

Response: We disagree. If individuals, because of their disability limitations, require additional assistance, that assistance is available through the institution's disabled student services offices and the DVR offices.

- 20) Comment:** Is it legal for DVR to pay students directly for tuition costs?

Response: Yes.

21) Comment: What guarantee does the school have that the student will pay his/her bills?

Response: The risk to the school will not be greater under the Training Grant program for students with disabilities than for any other student. The DVR Training Grant process will not affect the ability of the school to withhold other sources of grants or loans until tuition is paid.

22) Comment: If the student withdraws from school for disability reasons (for example a medical crisis), will the student have to repay the grant to DVR?

Response: No. Repayment to DVR is only required for situations of fraud or misrepresentation.

V. High Demand Occupations proposed grant incentive

23) Comment: Rewarding participation in high demand occupation programs will interfere with consumer choice.

Response: For various reasons, the possibility of different grant amounts for high demand occupational programs was removed from the draft proposal.

VI. Training Grant impact on other public benefits:

24) Comment: Will paying students directly result in the loss of income-based programs like SSI or subsidized housing?

Response: It should not. DVR funding is to offset “increased costs” created by rehabilitation programming. The DVR Training Grant is not considered income by the IRS or any other public program.